



BILLING CODE: 3510-DS-P

DEPARTMENT OF COMMERCE

International Trade Administration

[A-570-008]

Calcium Hypochlorite from the People's Republic of China: Preliminary Determination of Sales at Less Than Fair Value and Postponement of Final Determination

AGENCY: Enforcement and Compliance, International Trade Administration, Department of Commerce.

DATES: EFFECTIVE DATE: (INSERT DATE OF PUBLICATION IN THE FEDERAL REGISTER.)

SUMMARY: The Department of Commerce ("Department") preliminarily determines that calcium hypochlorite from the People's Republic of China ("PRC") is being, or is likely to be, sold in the United States at less than fair value ("LTFV"), as provided in section 733 of the Tariff Act of 1930, as amended ("the Act"). The period of investigation ("POI") is April 1, 2013, through September 30, 2013. The estimated margin of sales at LTFV is shown in the "Preliminary Determination" section of this notice. In accordance with 19 CFR 351.210(b)(2), the final determination will be issued 135 days after the date of publication of this preliminary determination in the Federal Register. Interested parties are invited to comment on this preliminary determination.

FOR FURTHER INFORMATION CONTACT: Kabir Archuletta, AD/CVD Operations, Office V, Enforcement and Compliance, International Trade Administration, U.S. Department of Commerce, 14th Street and Constitution Avenue, NW, Washington, DC 20230; telephone: (202) 482-2593.

## SUPPLEMENTARY INFORMATION:

### Scope of the Investigation

The product covered by this investigation is calcium hypochlorite, regardless of form (e.g., powder, tablet (compressed), crystalline (granular), or in liquid solution), whether or not blended with other materials, containing at least 10% available chlorine measured by actual weight. The scope also includes bleaching powder and hemibasic calcium hypochlorite.

Calcium hypochlorite has the general chemical formulation  $\text{Ca}(\text{OCl})_2$ , but may also be sold in a more dilute form as bleaching powder with the chemical formulation,  $\text{Ca}(\text{OCl})_2 \cdot \text{CaCl}_2 \cdot \text{Ca}(\text{OH})_2 \cdot 2\text{H}_2\text{O}$  or hemibasic calcium hypochlorite with the chemical formula of  $2\text{Ca}(\text{OCl})_2 \cdot \text{Ca}(\text{OH})_2$  or  $\text{Ca}(\text{OCl})_2 \cdot 0.5\text{Ca}(\text{OH})_2$ . Calcium hypochlorite has a Chemical Abstract Service (“CAS”) registry number of 7778-54-3, and a U.S. Environmental Protection Agency (“EPA”) Pesticide Code (“PC”) Number of 014701. The subject calcium hypochlorite has an International Maritime Dangerous Goods (“IMDG”) code of Class 5.1 UN 1748, 2880, or 2208 or Class 5.1/8 UN 3485, 3486, or 3487.

Calcium hypochlorite is currently classifiable under the subheading 2828.10.0000 of the Harmonized Tariff Schedule of the United States (“HTSUS”). The subheading covers commercial calcium hypochlorite and other calcium hypochlorite. When tableted or blended with other materials, calcium hypochlorite may be entered under other tariff classifications, such as 3808.94.5000 and 3808.99.9500, which cover disinfectants and similar products. While the HTSUS subheadings, the CAS registry number, the U.S. EPA PC number, and the IMDG codes are provided for convenience and customs purposes, the written description of the scope of this investigation is dispositive.

## Methodology

The Department conducted this investigation in accordance with section 731 of the Act. Because all mandatory respondents in this investigation either withdrew from the proceeding or did not cooperate to the best of their ability with the Department's requests for information, the Department preliminarily determines that the application of adverse facts available ("AFA") is warranted for this preliminary determination, in accordance with section 776 of the Act and 19 CFR 351.308.

For a full description of the methodology underlying our conclusions, see the Preliminary Decision Memorandum hereby adopted by this notice.<sup>1</sup> The Preliminary Decision Memorandum is a public document and is on file electronically via Enforcement and Compliance's Antidumping and Countervailing Duty Centralized Electronic Service System ("IA ACCESS"). IA ACCESS is available to registered users at <http://iaaccess.trade.gov>, and is available to all parties in the Central Records Unit, room 7046 of the main Department of Commerce building. In addition, a complete version of the Preliminary Decision Memorandum can be accessed directly on the Internet at <http://trade.gov/enforcement/>. The signed Preliminary Decision Memorandum and the electronic version of the Preliminary Decision Memorandum are identical in content.

## Combination Rates

In the Initiation Notice, the Department stated that it would calculate combination rates for the respondents that are eligible for a separate rate in this investigation.<sup>2</sup> Policy Bulletin 05.1

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<sup>1</sup> See Memorandum to Paul Piquado, Assistant Secretary for Enforcement and Compliance, from Christian Marsh, Deputy Assistant Secretary for Antidumping and Countervailing Duty Operations, "Decision Memorandum for Preliminary Determination of the Antidumping Duty Investigation of Calcium Hypochlorite from the People's Republic of China," dated concurrently with this notice ("Preliminary Decision Memorandum").

<sup>2</sup> See Calcium Hypochlorite From the People's Republic of China: Initiation of Antidumping Duty Investigation, 79 FR 2410, 2414 (January 14, 2014) ("Initiation Notice").

sets forth this practice.<sup>3</sup> However, as described in the Preliminary Decision Memorandum, all parties subject to this investigation are preliminarily found to be part of the PRC-wide entity, to which we do not assign a separate combination rate.<sup>4</sup>

#### Preliminary Determination

The preliminary weighted-average antidumping duty margin percentage is as follows:

<b>Exporter</b>	<b>Weighted-Average Margin (%)</b>
PRC-Wide Entity <sup>5</sup>	210.52

#### Disclosure and Public Comment

Normally, the Department discloses to interested parties the calculations performed in connection with a preliminary determination within five days of the date of publication of the notice of preliminary determination in the Federal Register, in accordance with 19 CFR 351.224(b). However, because the Department preliminarily applied AFA to each of the mandatory respondents in this investigation, in accordance with section 776 of the Act, there are no calculations to disclose. Accordingly, the calculations performed in connection with this preliminary determination are not proprietary in nature, and are described in the Preliminary Decision Memorandum.

Interested parties are invited to comment on this preliminary determination. Interested parties may submit case briefs to the Department no later than 30 days after the date of

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<sup>3</sup> See Enforcement and Compliance Policy Bulletin No. 05.1 “Separate-Rates Practice and Application of Combination Rates in Antidumping Investigations involving Non-Market Economy Countries,” (April 5, 2005) (“Policy Bulletin 05.1”), available on the Department’s Web site at <http://enforcement.trade.gov/policy/bull05-1.pdf>.

<sup>4</sup> Id.

<sup>5</sup> The PRC-wide entity includes China Petrochemical International (Wuhan) Co., Ltd., Tianjin JinBin International Trade Co., Ltd., and Wuhan Rui Sunny Chemical Co., Ltd.

publication of this preliminary determination.<sup>6</sup> A table of contents, list of authorities used, and an executive summary of issues should accompany any briefs submitted to the Department.<sup>7</sup>

Interested parties who wish to request a hearing, or to participate if one is requested, must submit a written request to the Assistant Secretary for Enforcement and Compliance, U.S. Department of Commerce, filed electronically in IA ACCESS. An electronically filed document must be received successfully in its entirety in IA ACCESS, by 5:00 p.m. Eastern Standard Time, within 30 days after the date of publication of this notice.<sup>8</sup> Hearing requests should contain the party's name, address, and telephone number, the number of participants, and a list of the issues you intend to present at the hearing. If a request for a hearing is made, the Department intends to hold the hearing at the U.S. Department of Commerce, 14th Street and Constitution Avenue, NW, Washington, DC 20230, at a time and location to be determined. Parties should confirm by telephone the date, time, and location of the hearing two days before the scheduled date.

#### Suspension of Liquidation

In accordance with section 733(d) of the Act, the Department will instruct U.S. Customs and Border Protection ("CBP") to suspend liquidation of all entries of calcium hypochlorite from the PRC, as described in the "Scope of the Investigation" section, entered, or withdrawn from warehouse, for consumption on or after the date of publication of this notice in the Federal Register. Furthermore, consistent with our practice, where the product under investigation is also subject to a concurrent countervailing duty investigation, we instruct CBP to require a cash deposit equal to the amount by which the normal value exceeds the export price or constructed export price, less the amount of the countervailing duty determined to constitute an export

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<sup>6</sup> See 19 CFR 351.309(c)(1)(i).

<sup>7</sup> See 19 CFR 351.309(c)(2).

<sup>8</sup> See 19 CFR 351.310(c).

subsidy. In this LTFV investigation, with regard to PRC-wide entity, export subsidies constitute 9.62 percent<sup>9</sup> of the preliminarily calculated countervailing duty rate in the concurrent countervailing duty investigation, and, thus, we will offset the PRC-wide rate of 210.52 percent by the countervailing duty rate attributable to export subsidies (i.e., 9.62 percent) to calculate the cash deposit rate for this LTFV investigation.

#### Postponement of Final Determination and Extension of Provisional Measures

Pursuant to a request from Wuhan Rui Sunny Chemical Co., Ltd., we are postponing the final determination and extending the provisional measures from a four-month period to no more than six months.<sup>10</sup> Accordingly, we will make our final determination no later than 135 days after the date of publication of this preliminary determination, pursuant to section 735(a)(2) of the Act.<sup>11</sup>

#### International Trade Commission (“ITC”) Notification

In accordance with section 733(f) of the Act, we notified the ITC of our preliminary affirmative determination of sales at LTFV. Section 735(b)(2) of the Act requires the ITC to make its final determination as to whether the domestic industry in the United States is materially injured, or threatened with material injury, by reason of imports of calcium hypochlorite, or sales (or the likelihood of sales) for importation, of the merchandise under consideration within 45 days of our final determination.

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<sup>9</sup> The following subsidy programs in the preliminary determination of the concurrent countervailing duty investigation are export subsidies: Discounted Loans for Export-Oriented Enterprises (1.06%), Export Credits from China's Export-Import Bank (1.06%), Export Credit Insurance from China Export and Credit Insurance Corporation (Sinosure) (1.06%), Foreign Trade Development Fund (0.55%), Famous Brands Program (0.55%), Provision of Shipping for LTAR (5.34%). See Calcium Hypochlorite From the People's Republic of China: Preliminary Affirmative Countervailing Duty Determination, and Alignment of Final Countervailing Duty Determination With Final Antidumping Duty Determination, 79 FR 30082 (May 27, 2014), and accompanying Preliminary Decision Memorandum at 11.

<sup>10</sup> See Letter to the Secretary of Commerce from Wuhan Rui Sunny Chemical Co., Ltd., “Request for Extension of Final Determination” (July 1, 2014).

<sup>11</sup> See also 19 CFR 351.210(e).

This determination is issued and published in accordance with sections 733(f) and 777(i)(1) of the Act and 19 CFR 351.205(b)(2).

Dated: 16 July 2014.

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Paul Piquado,  
Assistant Secretary  
for Enforcement and Compliance.

## List of Topics Discussed in the Preliminary Decision Memorandum:

### I. Summary

### II. Background

1. Initiation
2. Period of Investigation
3. Postponement of Preliminary Determination
4. Postponement of Final Determination and Extension of Provisional Measures
5. Scope of the Investigation
6. Scope Comments
7. Selection of Respondents

### III. Discussion of the Methodology

1. Non-Market Economy Country
2. Separate Rates
3. Total Adverse Facts Available for Rui Sunny
  - A. Background
  - B. Facts Available and Selection Based Upon Adverse Inferences for Rui Sunny
4. The PRC-wide Entity
5. Application of Facts Available and Selection Based Upon Adverse Inferences for the PRC-Wide Entity
6. Corroboration of AFA Rate
7. Verification
8. Section 777A(f) of the Act

### IV. ITC Notification

### V. Conclusion